

**Before The
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C.**

In the Matter of)	
)	
Definition of Radio Markets for Areas Not)	MB Docket No. 03-130
Located in an Arbitron Survey Area)	
)	

COMMENTS OF REC NETWORKS

1. REC Networks ("REC") is a supporter of locally owned and diverse radio. REC currently operates several Internet only radio stations. REC also operates several websites including the original LPFM Channel Search Tool¹. REC Networks also represents the interests of independently owned Low Power FM ("LPFM") broadcast stations and their listeners. REC also follows issues that involve the availability of media in rural and underserved areas.

2. These comments are in response to a Notice of Proposed Rulemaking involving the definition of radio markets outside of "metro" areas currently surveyed by Arbitron.

3. REC has an "area of interest", this is an area where we focus many of our activities on. We do this because we have an intimate knowledge of this area and we feel very qualified to comment on media issues that impact this area. REC's area of interest include Southern California² as well as the entire states of Arizona and Nevada.

Market Designations Should NOT Be Based On City of License.

4. We feel that markets should be defined by listening trends and the actual area that the station targets it's advertising efforts to. In addition, the physical location of the station's main studio and not the city of license should be used as a factor to determine city of license.

¹ - <http://www.recnet.com/lpfminfo>

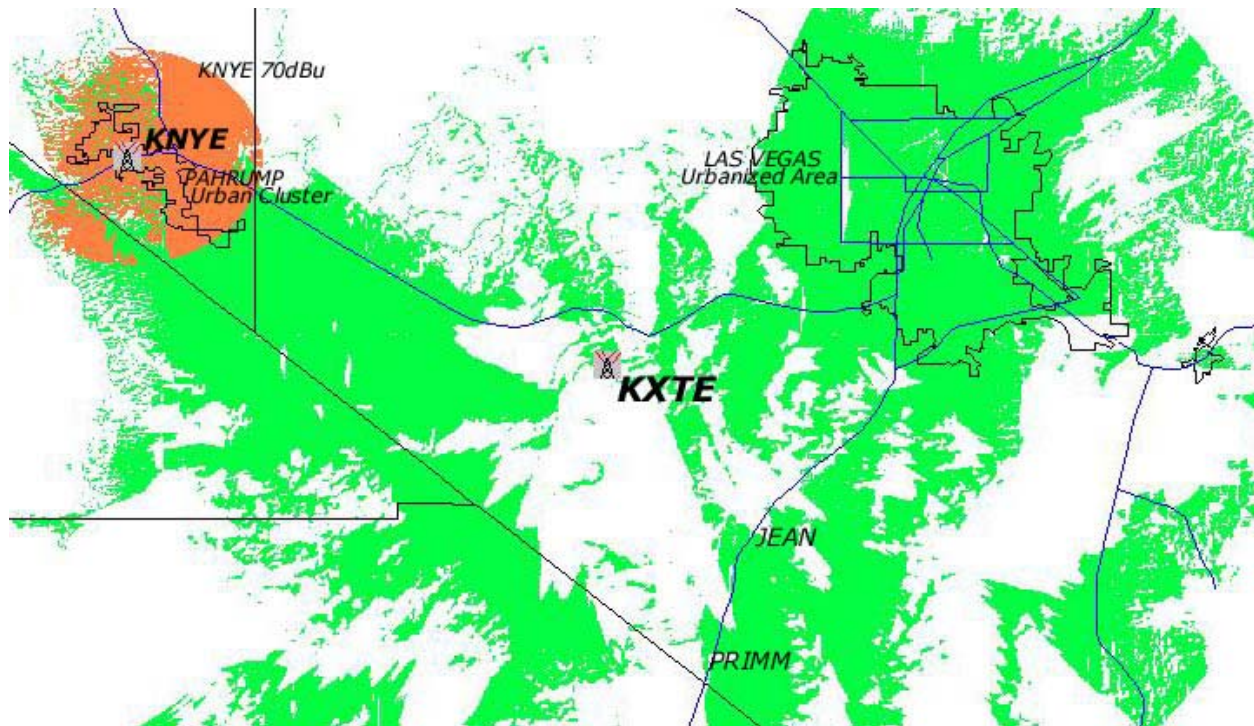
² - Our Southern California Area of Interest is the counties of Los Angeles, Ventura, Kern, Orange, San Bernardino, Inyo, Riverside, San Diego and Imperial. For the interest of this proceeding, we will also comment on Santa Barbara and San Luis Obispo Counties.

5. Especially in Phoenix and Las Vegas where we have a large number of "fringecasters", stations that have cities of license well outside the urbanized area but target their advertising towards the urbanized areas. Most of these stations have their main studios in the urbanized area, mostly on waivers.

6. Currently in the Phoenix area, these "rimshot" stations account for at least a 6.7 share of the audience in the Phoenix Metropolitan Area. Until the stations were purchased and the format changed, the very popular and highly rated Howard Stern Show was carried on a rimshot station out of Globe. Sometimes, a rimshot station is paired with a station in the urban area as a "filler". For example, the Phoenix metro's number one Spanish station KHOT Paradise Valley (in the urbanized area) is simulcasted on KHOV Wickenburg.

7. There are also some situations where the station uses a city of license that is separated from the metro area by some very substantial terrain or other physical features and the licensee disregards the city of license and programs solely to the metro. An example of this is KXTE-FM, a station licensed to Pahrump, NV. Pahrump is an independent community from Las Vegas. Because of terrain, to drive from the center of Pahrump to the studio of KXTE, it is over an hour drive. KXTE was Pahrump's "first" station. REC's very first comment in an allotment proceeding was to support a petition to add a ground level FM to the Pahrump area. This station is now known as KNYE.

8. In the map below, you will see how even though Pahrump is its own community well separated from the urbanized area, the city grade contour of KXTE serves virtually all of the Las Vegas urbanized area:



Both of the stations you see on this map are licensed to the same community.

Assigning a station to a "metro" market.

9. REC feels that if a station licensed to a community outside the metro area can achieve at least a 1.0 share in the metro ratings book, then the station should be considered in the metro market. We recognize that some stations may actually serve more than one metro area. If the station is licensed to a metro community, then the market should be that metro. If the station is licensed to a rural community outside the metro, then the market should be based on the community that receives the larger share of advertising revenue³.

³ - For example, prior to KDDJ Globe, AZ being purchased (the station we mentioned that used to carry Howard Stern), the station broadcast primarily towards a Phoenix audience, however the station did put a significant signal into the Tucson urbanized area. And although the station proactively attempted to solicit Tucson advertising business, a significant amount of the advertising was from Phoenix. Using our methodology, KDDJ would have been placed in the Phoenix Metro market despite its city of license located well outside the urbanized area.

Some New Markets Can Cross County and State Lines

10. In many cases, a radio signal and the advertising market that goes with it does not stop at the county or state line. Take for example the Antelope Valley north of Los Angeles. Even though the area receives some stations from the Los Angeles and Victor Valley metros, the area is its own distinct advertising market with several stations located in both Los Angeles and Kern Counties. By imposing the county line rule in this case, one entity without any Los Angeles Metro interests can substantially concentrate the Antelope Valley media market.

Treatment of "Large" Counties

11. Southern California is home to San Bernardino County, the largest county in land-mass in the continental United States. The county is already home to two Arbitron metro areas (San Bernardino/Riverside and Victor Valley). REC feels that in the case of large counties, the need to split markets is justified. A good method of subdividing counties is the use of the established Census Bureau County Subdivisions. In our example, San Bernardino County will have all or portions of 5 different markets in it.

12. When an amendment to the FM Table of Allotments is being considered, we must now not only consider the city of license but the proposed station's market⁴. REC feels that if this new market criteria is added to the consideration of allotments, it can foster the expansion of broadcast services into rural areas and put an end to the abuses that many owners are doing today by moving stations from rural areas to the fringes of a metro area under the guise of a "clean" *Tuck* analysis. REC feels that if an allotment's location can put a signal over a considerable portion of the metro area, this is a metro station and that it should not be considered. Actually, we can finally do away with the *Tuck* analysis.

Definition Of Media Markets For The REC Area Of Interest

13. In the attachments to these comments, you will see REC's proposals for the new market designations for Southern California, Arizona and Nevada.

⁴ - In the appendices, we show several recent rulemaking procedures and the markets these allotments would be most likely assigned to. REC is in no way intending to influence those rulemaking proceedings by including those references in this docket.

Conclusion

14. REC feels that it is very appropriate to define markets in the rural areas. However, we do not want to see a scheme that can be very easily abused by the large owners. Smaller communities have already been slapped in the face by the use of rural FM allotments in metropolitan areas. Let's make sure that stations serving metros using (or abusing) a rural community's city of license are properly placed in the metropolitan market and subject to media concentration rules that would apply to that metro area. Otherwise, it will be the final blow to rural radio.

Respectfully Submitted,

Rich Eyre for
REC Networks
P O Box 40816
Mesa, AZ 85274-0816
rec@recnet.com
<http://www.recnet.com>